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WEIGHT LOSS CENTERS FOUND VIOLATING CONSUMER LAW

Results of an investigation of weight loss centers released today by Secretary of Consumer Affairs and Business Regulation Mary Ann Walsh reveal widespread failure to post prices and to offer consumers three days in which to cancel their contracts as required by state law.

Investigators visited 14 weight loss centers during January representing seven of the most well known programs: Diet Center, Diet Workshop, Jenny Craig, Nutri/System, Physicians Weight Loss

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Centers, Weight Loss Clinics, and Weight Watchers.

"Our society puts so much emphasis on being thin. Add to that heavy advertising for diet programs, and maybe a forceful sales pitch, and you have a situation where consumers may feel pressured into signing a contract that they later regret," explained Walsh. "We wanted to make sure that these programs were providing consumers with the proper disclosures and cancellation rights that the law requires. Unfortunately, not one center was in full compliance."

In fact, according to Walsh, no single location met more than half the requirements checked, and many were in compliance with none of the requirements.

Under the state's health club law, which has been in effect since January 1986, weight control centers are considered to be health clubs, and are therefore subject to that law's disclosure requirements. Inspectors checked for compliance with four requirements:

- Written disclosure of a consumer's three business day right to cancel the contract printed in 10 point bold type in the weight loss center's contract or written material, and also a written notice of additional rights to cancel.
- A sign posted conspicuously on the premises disclosing the consumer's cancellation rights.
- A sign posted listing prices for the center's programs.
- Posting of the center's current discount offers.

Only Nutri/System and Physicians Weight Loss Centers had notice of a three day right to cancel in their contracts, although neither notice fully met the law's requirements. Diet Workshop posted both ads and prices, while most of the other

centers visited posted neither. Jenny Craig, Weight Loss Clinics, and Weight Watchers had one or more locations that did not comply with any of the four requirements checked. (See attached chart for complete results of the investigation. Since some weight control center locations are franchised, findings at one location are not necessarily indicative of another location's compliance or noncompliance with the law.)

Walsh's office has reached oral agreements with the regional or national headquarters of each of the seven companies investigated for them to change their contracts and to post prices and advertisements. Walsh is working with the Attorney General's office to secure final written compliance agreements with the companies.

When asked if she thought the violations discovered were deliberate on the part of the weight loss centers, Walsh said, "I think some of them honestly were not aware of the laws' requirements. Others either thought the law did not apply to them or have moved slowly to change their operational procedures." Walsh says she does not plan to ask the Attorney General to seek the $2500 penalties specified in the law as long as final compliance agreements are secured.

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[See chart on page 4]

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http://archive.org/details/weightlosscenter00mass

WEIGHT LOSS CENTER INVESTIGATION FINDINGS

PROGRAM	REQUIREMENTS: CANCELLATION NOTICE IN CONTRACT	CANCELLATION NOTICE POSTED	POSTING ADS	POSTING PRICES
Diet Center				
Norwood	n	n	NA	n
Allston	n	n	Y1	n
Diet Workshop				
Somerville	n	n	Y	Y
Boston	n	n	Y	Y
Jenny Craig				
Cambridge	n	n	n	n
Norwood	n	n	n	n
Nutri/System				
Boston	Y4	n	n	n
Norwood	Y4	n	n	n
Physicians Weight Loss Centers				
Norwood	Y2	n	n	n
Dedham	Y2	n	n	n
Weight Loss Clinics				
Boston--Govt Cen.	n	n	n	n
Boston--Newbury St	n	n	n	n
Weight Watchers				
Boston--Winter St	n	n	n	n
Dedham	n	n	n	Y3

n = no
Y = yes
Y1 = Ads posted did not feature price--no price offer in effect.
Y2 = Rights disclosure incomplete and not as statute requires.
Y3 = Had sign with only $12 offer stated.
Y4 = Wording almost right, but not in 10 pt. bold type.
NA = Not applicable. No price offer in effect.

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